



Valley Coalition for Minority Economic Development

*An initiative of the
Tennessee Valley Authority
and Valley financial institutions*



Mission

The Valley Coalition is a public-private partnership between financial institutions and TVA that works to promote the growth and establishment of minority and socially and economically disadvantaged businesses. The mission of the coalition is to serve as an advocate and partner in creating opportunities for improved access to capital and resources for minority businesses.

Rationale

The minority portion of the total U.S. population is projected to increase from 29 percent in 2000 to 46 percent in 2045, according to recent projections. The corresponding purchasing power is projected to increase from \$1.3 trillion to more than \$4 trillion. Minority businesses will be a major segment of the economy as the U.S. population becomes more diverse. Minority businesses are growing faster than any other business sector, at a rate of 5.3 percent per year. Recent census data confirms this growth in the seven-state TVA service area, where minority firms represent 11.5 percent of all firms, compared with 14.6 percent in the United States as a whole. Minority firms need access to capital and resources for continued growth and success in a changing global economy. The Valley economy stands to benefit from the coalition's support of this emerging business sector.



Objectives

- Increase access to capital for minority businesses
- Develop innovative financing structures and flexible processes
- Build capacity of minority businesses and technical resource providers

Program activities

- Establishment of loan participation program and operating guidelines
- Coordination of services delivery, including loan packaging, loan servicing, and technical assistance
- Establishment of affiliate network of referral sources and resource providers
- Promotion of effective financing structures to sustain the competitiveness of minority firms
- Creation of marketing and communications campaign

Benefits

- Greater minority participation in the Valley's economy
- Increased capital leveraging and lower risk exposure
- Incorporation of technical assistance resources and business information

Membership

The coalition's membership consists of the financial institutions that have entered into a memorandum of understanding (MOU) with TVA. Other financial institutions that wish to be included may contact TVA. (See the reverse side for contact information.)

